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STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY, AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE

In the Matter of:)
MARSH & MCLENNAN AGENCY LLC)
Licensee)

Case No. D 16-04

STIPULATED AGREEMENT AND ORDER

The Division of Insurance (division) and Marsh & McLennan Agency LLC (Marsh), the licensee in this case, stipulate and agree to the following:

I. BACKGROUND

- A. Marsh holds surplus lines broker and firm insurance producer license number 82353.
- B. Under AS 21.06.130, the division performed a limited and targeted premium tax audit of Marsh's surplus lines business for the period October 1, 2013 through September 30, 2015. The audit was completed and a report and order approving the report were issued on April 20, 2016 under TA 15-06. Both were sent to Marsh on April 20, 2016.
- C. Under three failed findings in the audit report, 31 violations of AS 21.34 were identified that are within the control of Marsh to correct in order to comply with Alaska insurance laws. However, only two findings with 24 violations in the 2015 audit were previously identified in the 2011 audit.

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Marsh & McLennan Agency LLC

1 D. The 24 violations of AS 21.34 subject Marsh to civil penalties under
2 AS 21.34.230.

3
4 II. TERMS OF AGREEMENT

5 1. The division agrees that the next audit performed on Marsh related hereto will
6 exclude any quarter ending before October 1, 2016.

7 2. For the TA 15-06 audit violations, Marsh agrees to pay a civil penalty under
8 AS 21.34.230 in the amount of \$20,000 with \$10,000 suspended. The unsuspended penalty of
9 \$10,000 is payable within three months from the time Marsh is notified that the director has
10 signed the order approving this agreement.

11 3. In the event Marsh is found to have violated the Alaska insurance laws during the
12 next audit, the suspended portion of the penalty referenced in paragraph 2 will be reinstated.
13 Marsh also will be subject to any and all sanctions authorized by the insurance laws including
14 imposing additional penalties.

15 4. By signing this agreement, Marsh understands and agrees that any failure to
16 comply with the terms of this agreement may be grounds to revoke, suspend, or non-renew
17 Alaska surplus lines broker and firm insurance producer license number 82353.

18 5. Marsh understands that this agreement is not binding on the parties unless and
19 until the director signs the order approving the agreement.
20

21
22
23 DATED: 5/20/16

DIVISION OF INSURANCE

24 By: Rebecca Nesheim
25 Rebecca Nesheim
26 Tax Auditor

D 16-04
Marsh & McLennan Agency LLC

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DATED: 5.18.2016

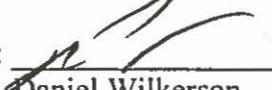
MARSH & MCLENNAN AGENCY LLC

By: 
Jamie Esquivel
Compliance Officer

Approved as to form and content:

DATED: 5/25/16

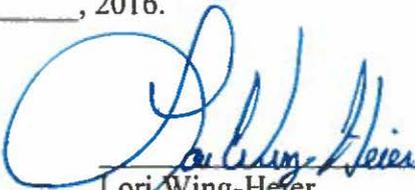
CRAIG W. RICHARDS
ATTORNEY GENERAL

By: 
Daniel Wilkerson
Assistant Attorney General

ORDER

IT IS ORDERED that this Stipulated Agreement and Order is adopted in full resolution of the issues in this case, and shall constitute the final order in this matter.

DATED this 27th day of May, 2016.


Lori Wing-Hefer
Director

STATE OF ALASKA
DEPARTMENT OF COMMERCE, COMMUNITY AND ECONOMIC DEVELOPMENT
DIVISION OF INSURANCE
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